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Democracy Dies in Darkness

EX-JUDGE TO HEAD HOUSE BANK PROBE

FOLEY PROPOSES TO END SOME PERKS

By Kenneth J. Cooper and Dana Priest

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Attorney General William P. Barr yesterday appointed a retired federal judge as special counsel to head an inquiry into possible criminal violations by members of Congress and congressional employees who abused their House Bank privileges.

Retired federal judge Malcolm R. Wilkey, a Nixon administration appointee and chairman of President Bush's ethics reform commission, replaces U.S. Attorney Jay B. Stephens as head of an effort to determine whether a formal investigation is warranted.

An administration source said Barr asked Wilkey to replace Stephens, a Reagan administration appointee, because Wilkey is "above political reproach. You free yourself up from political considerations."

On Capitol Hill yesterday, House Speaker Thomas S. Foley (D-Wash.) proposed an end to free prescription drugs for House members and an unspecified increase in dues for their private gymnasium as first steps in a review prompted by the bank scandal of congressional perquisites.

"I am determined to see to it that the management of the House is . . . without unfair criticism in terms of its efficiencies and operations and integrity, and I am going to do whatever is necessary so that would happen," Foley said at a news conference.

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The House Bank has become the source of a major political heartache for members already trying to explain to constituents why the deficit is so large, national economic growth is so small and why they, as elected officials, deserve special treatment.

Case 9:23-cr-80101-AMC Document 640-3 Entered on FLSD Docket 06/23/2024 Page 3 of 5
The broad review of House operations, Foley said, was in response to "the current focus on so-called perquisites of office." The speaker said he wanted to "ensure there are no provisions that are not justified by {the} work responsibility" of members.

Other members yesterday joined the perk reform movement.

Rep. Gene Taylor (D-Miss.) said he would propose, independently of the Democratic leadership, taking away the right to a driver and limousine from the whips elected by both parties, an idea specifically targeted at Minority Whip Newt Gingrich (R-Ga.).

Rep. Dave McCurdy (D-Okla.) urged the House to go further on Foley's proposal and to pass a bill introduced in November that would require members of Congress to pay for all medical services from the attending physician, who has a \$1.5 million budget.

Missi Tessier, spokeswoman for Minority Leader Robert H. Michel (R-Ill.), said he concurred with the speaker's proposals.

"But he does not want it to detract from the movement to a legitimate and thorough overhaul of the way the House of Representatives does its business," she said.

Foley described free prescriptions dispensed by the attending physician, Robert C.J. Krasner, as a throwback to an era when health insurance was less commonplace. For the last 70 years, Foley said, the Navy has provided free drugs, which line shelves of a private pharmacy on the first floor of the Capitol, to members of the House, Senate and Supreme Court.

Senate Majority Leader George J. Mitchell (D-Maine) said he is continuing to review Senate perks, and a Supreme Court spokeswoman said the free drugs for the nine serving and four retired justices have not been an issue.

Foley said the prescription service would end in 30 days to give members time to readjust their health insurance coverage.

Foley also said he asked a committee of members that oversees the House gym to "assess new charges" for use of the facility in the sub-basement of the Rayburn House Office Building.

Dues are now \$100 a year for members and \$250 for former members, several hundred dollars below fees for private health clubs. The gym offers basketball and paddle ball courts, swimming pool, exercise bicycles, treadmills and a stair-climbing machine.

The House Democratic leadership aide said the gym and free prescriptions were singled out because they were frequently mentioned in news accounts. He said Foley also plans to review the stationery store, where some gift items are stocked.

Case 9:23-cr-80101-AMC Document 640-3 Entered on FLSD Docket 06/23/2024 Page 4 of 5
The Standards of Official Conduct Committee yesterday decided that the list of 24 top "abusers" of the House Bank would not be released Monday, 10 days after the resolution was passed, because a subcommittee needed more time to hear appeals from those members.

The Justice Department is looking into such things as whether any criminal laws were violated when 355 current and former House members wrote checks with insufficient funds in their House Bank accounts and whether any federal mail or wire fraud laws were violated by House Bank employees aware of the overdrafts.

The appointment of Wilkey, who as a special counsel will report to the attorney general, "does not reflect any escalation of the Justice Department's effort or any change in the nature of the inquiry," Barr said.

After Stephens's office announced the inquiry Monday, some House Democrats, including Rep. John Lewis (D-Ga.), suggested Stephens had political motives for launching the investigation.

In his statement yesterday, Barr praised Stephens for initiating the inquiry and expressed confidence in him. "However, given the unique circumstance and sensitivities of this matter, I have concluded that the public interest will be served by appointing" Wilkey, Barr said.

Stephens released a statement saying "a thorough and fair review of the allegations . . . is important to maintain the trust of the American people I am confident Judge Wilkey will continue the work initiated by this Office "

Although much of the inquiry involves reading bank records, Wilkey does have the power to subpoena individuals and could convene a grand jury if he deemed it necessary, a Justice Department official said.

Wilkey, 73, was chairman of the President's Commission on Reform of Federal Ethics Laws, which met in 1989. From 1970 to 1984, he was a U.S. Circuit Court judge here and was ambassador to Uruguay 1985 to 1990.

In 1981, Wilkey caused a stir in the legal community after it was reported that he and his wife visited Namibia, a country the U.S. government did not recognize, at the invitation and expense of the South African government.

The House Bank, a check-cashing facility, operated casually for more than 150 years and routinely covered the overdrafts of members whose checks were deposited there. The House voted to close it last fall.

Yesterday's perk-bashing was not without interparty political punches.

Taylor's proposal to take away limousine service and police amounted to an assault on Gingrich because Majority Whip David E. Bonior (D-Mich.) has already forgone that privilege.

Taylor said Gingrich had self-righteously accused members, during last week's debate on disclosing the House Bank overdrafts, of "being so overwhelmed by the arrogance of power."

"It just irks me," Taylor said, "that a guy who has a \$60,000 driver, riding around in a \$50,000 car, gets up on the floor every day talking about perks."

Case 9:23-cr-80101-AMC Document 640-3 Entered on FLSD Docket 06/23/2024 Page 5 of 5
Tony Blankley, a spokesman for Gingrich, said former sergeant-at-arms Jack Russ had assigned a Capitol Police officer to the whips for security reasons.

"It's not a chauffeuring responsibility, it's a security responsibility," Blankley said. "Certainly, for someone as visible and controversial as he is, it's not a de minimus concern."